

# EXHIBIT 2

Prepare. Protect. Prevail.



Business Insurance

Employee Benefits

Auto

Home

March 13, 2020

Re:       Insured:                    LDX SOLUTIONS  
         Policy Number:            52 CES OF6859  
         Policy Term:                06/30/2019 – 06/30/2020  
         Writing Company:        TWIN CITY FIRE INSURANCE COMPANY

This will verify that, to the best of the undersigned's knowledge, the attached is a complete and accurate representation of insurance policy referenced above. Documents and/or information produced herewith are kept and maintained in the ordinary course of business.

Kyona Lawrence  
Operations Support Specialist  
Clinton Business Center  
Hartford Office Location

301 Woods Park Dr.  
Clinton, NY 13323  
Toll Free: 888-525-2652  
Fax: 866-809-1178

# Special Multi-Flex Business Insurance Policy





# QUICK REFERENCE COMMERCIAL GENERAL LIABILITY COVERAGE PART OCCURRENCE

READ YOUR POLICY CAREFULLY

## DECLARATIONS PAGES

Named Insured and Mailing Address  
Policy Period  
Description of Business and Location  
Coverages and Limits of Insurance

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# IMPORTANT NOTICE TO POLICYHOLDERS



## CLAIMS MADE COVERAGE

Dear Policyholder:

This notice is not your policy. It is a notice which describes some of the major features of your claims made coverage. Please read your policy carefully to determine rights, duties and what is and is not covered. Only the provisions of your policy determine the scope of your insurance protection.

### **YOUR POLICY PROVIDES CERTAIN COVERAGES ON A CLAIMS MADE BASIS**

#### Occurrence Vs Claims Made

There is no difference in the kinds of damages covered on an occurrence basis or a claims made basis. Claims for damages may be assigned to different policy periods, however, depending on which coverage you have purchased.

Coverage on an occurrence policy is provided for injury or damage that occurs during the policy period, no matter when the claim is made.

Your claims made coverage provides for injury or damage **if the claim for damages is first made against any insured during the policy period.** A claim by a person or organization seeking damages will be considered as being first made when notice of such claim is received and recorded by any insured or by us, whichever comes first. This insurance does not apply to a covered injury which occurred before the Retroactive Date or after the end of the policy period.

#### RETROACTIVE DATE

According to the terms and conditions of the claims made coverage, each coverage may carry its own Retroactive Date. There is no coverage for damage that occurred before the Retroactive Date. If your coverage does not have a Retroactive Date, the covered injury or loss must occur during the policy period.

#### EXTENDED REPORTING PERIODS

Your policy includes a Basic Extended Reporting Period of 60 days. However, if a claim is made after the termination of your claims made policy or endorsement thereto, you may not have coverage for the claim unless you purchase an Extended Reporting Period.

Carefully review the provision entitled **EXTENDED REPORTING PERIODS.** These provisions have certain limitations including but not limited to the availability of and the length of coverage and the time during which you must purchase or accept any offered Extended Reporting Periods.

Your claims made coverage contains certain limitations, exclusions and conditions. Please read them carefully and consult your agent about any questions you might have.

This SPECIAL MULTI-FLEX POLICY is provided by the stock insurance company(s) of The Hartford Insurance Group, shown below.

## COMMON POLICY DECLARATIONS

**POLICY NUMBER:** 52 CES OF6859

**RENEWAL OF:** 52 CES OF6859



**Named Insured and Mailing Address:**  
(No., Street, Town, State, Zip Code) LDX SOLUTIONS  
60 CHASTAIN CENTER BLVD NW  
SUITE 60  
KENNESAW, GA 30144

**Policy Period:** From 06/30/2019 To 06/30/2020  
12:01 a.m. Standard Time at your mailing address shown above.

In return for the payment of the premium, and subject to all of the terms of this policy, we agree with you to provide insurance as stated in this policy. The Coverage Parts that are of this policy are listed below. The Advance Premium shown may be subject to adjustment.

**Total Advance Premium:** [REDACTED]

### Coverage Part and Insurance Company Summary

### Advance Premium

|                              |  |          |
|------------------------------|--|----------|
| COMMERCIAL GENERAL LIABILITY | TWIN CITY FIRE INSURANCE COMPANY<br>HARTFORD, CT 06155 | INCLUDED |
|------------------------------|--|----------|

**Form Numbers of Coverage Parts, Forms and Endorsements that are a part of this policy and that are not listed in the Coverage Parts.**

HS00020605

### Agent/Broker Name:

USI KIBBLE & PRENTICE 810246  
601 UNION STREET  
SUITE 1000  
SEATTLE, WA 98101

Countersigned by Suann S. Castaneda 06/30/2019  
(Where required by law) Authorized Representative Date

06/28/2019

Form HM 00 10 01 07

# COMMERCIAL GENERAL LIABILITY COVERAGE PART - DECLARATIONS



## DECLARATIONS

POLICY NO. 52 CES OF6859

Previous Policy No.

52 CES OF6859

This COMMERCIAL GENERAL LIABILITY COVERAGE PART consists of:

- A. This Declarations;
- B. Commercial Liability Schedule, if applicable;
- C. Commercial General Liability Coverage Form; and
- D. Any Endorsements issued to be part of this Coverage Part and listed below.

1. Audit Period is the Policy Period unless otherwise herein stated: ☐ Semi-Annual ☐ Quarterly ☐ Monthly  
☒ Annual ☐ Not subject to Audit

2. Advance Premium [REDACTED], which is ☐ A Flat Charge Per Each Policy Period  
☒ Adjustable at the end of each Audit Period, Per  
Premium Computation Endorsement

Minimum Retained Audit Premium N/A

Minimum Retained Premium N/A, not subject to adjustment in the event of cancellation by you.

Applicable State Surcharges: REFER TO SCHEDULE HC1210

Note: charges, if any, are included in item 2. above

### 3. Limits of Insurance

The Limits of Insurance, subject to all the terms of this policy that apply, are:

|  |                     |
|--|---------------------|
| Each Occurrence  | <u>\$1,000,000</u>  |
| Personal and Advertising Injury Limit                              | <u>\$1,000,000</u>  |
| Damage to Premises Rented To You Limit - Any One Premises          | <u>\$300,000</u>    |
| Medical Payments Coverage Limit - Any One Person                   | <u>\$10,000</u>     |
| General Aggregate Limit (Other than Products-Completed Operations) | <u>\$2,000,000</u>  |
| Products-Completed Operations Aggregate Limit                      | <u>\$2,000,000.</u> |

### 4. Classifications, if any:

REFER TO EXTENSION SCHEDULE.

### 5. Business Description

ENGINEERING & EQUIPMENT SUPPLIER PULP & PAPER

### 6. Form Numbers of Coverage Forms and Endorsements forming a part of this policy:

SEE LISTING OF POLICY PROVISIONS AND ENDORSEMENTS FORMING A PART OF THE POLICY AT ISSUE.

06/28/2019

Form HS 00 02 06 05

(c) 2005, The Hartford

**Exhibit 2**  
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## LISTING OF COVERAGE PARTS AND ENDORSEMENTS FORMING A PART OF THE POLICY

The following is a listing of policy provisions, forms and endorsements by Form Number and Title that form a part of the policy at issue.

|    | FORM NUMBER | TITLE  |
|----|-------------|--|
| 1  | HG0001      | 09-16 COMMERCIAL GENERAL LIABILITY COVERAGE FORM   |
| 2  | HC2031      | 12-10 ADDITIONAL PERSONS OR ORGANIZATIONS DESIGNATED AS<br>NAMED INSURED                       |
| 3  | HS9906      | 06-05 PREMIUM COMPUTATION ENDORSEMENT  |
| 4  | HC1210      | 11-85 COMMERCIAL GENERAL LIABILITY SCHEDULE  |
| 5  | HS0328      | 07-13 DEDUCTIBLE LIABILITY INSURANCE   |
| 6  | HS0328      | 07-13 DEDUCTIBLE LIABILITY INSURANCE   |
| 7  | HS2432      | 06-05 EMPLOYEE BENEFITS LIABILITY COVERAGE ENDORSEMENT<br>CLAIMS MADE                          |
| 8  | GN984718    | 01-15 CONFIRMATION OF COVERAGE ELECTION - TERRORISM RISK<br>INSURANCE ACT                      |
| 9  | HC2370      | 01-15 CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM   |
| 10 | HS9855      | 01-06 ADJUSTMENT OF TERRORISM CHARGES AT AUDIT   |
| 11 | HS2151      | 06-05 EXCLUSION - UNNAMED SUBSIDIARY AND LIMITATION -<br>NEWLY ACQUIRED OR FORMED ORGANIZATION |
| 12 | HS2102      | 04-00 EXCLUSION - INTERCOMPANY SUITS   |



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The following is a listing of policy provisions, forms and endorsements by Form Number and Title that form a part of the policy at issue.

| FORM NUMBER |        | TITLE |   |
|-------------|--------|-------|---|
| 13          | HC2190 | 06-08 | EXCLUSION - FUNGI, BACTERIA, AND VIRUSES                            |
| 14          | HC2183 | 10-01 | ABSOLUTE POLLUTION EXCLUSION EXCEPTION FOR MOBILE EQUIPMENT         |
| 15          | HC2123 | 10-01 | ABSOLUTE POLLUTION EXCLUSION  |
| 16          | CG2233 | 04-13 | EXCLUSION - TESTING OR CONSULTING ERRORS AND OMISSIONS              |
| 17          | CG2243 | 04-13 | EXCLUSION-ENGINEERS, ARCHITECTS OR SURVEYORS PROFESSIONAL LIABILITY |
| 18          | HC2203 | 09-14 | EXCLUSION - AIRCRAFT PRODUCTS                                       |
| 19          | HG2102 | 03-15 | EXCLUSION - SILICA  |
| 20          | HC2137 | 03-93 | ABSOLUTE LEAD EXCLUSION   |
| 21          | HS2537 | 06-05 | AMENDMENT POLICY PERIOD   |
| 22          | HC2422 | 12-10 | EARLIER NOTICE OF CANCELLATION OR NONRENEWAL PROVIDED BY US         |
| 23          | HS9951 | 06-05 | INDEPENDENT CONTRACTORS ENDORSEMENT                                 |
| 24          | HS9948 | 02-13 | IMPORTANT STATE INFORMATION FRAUD WARNING STATEMENTS                |



## LISTING OF COVERAGE PARTS AND ENDORSEMENTS FORMING A PART OF THE POLICY

The following is a listing of policy provisions, forms and endorsements by Form Number and Title that form a part of the policy at issue.

|    | FORM NUMBER | TITLE  |
|----|-------------|--|
| 25 | G-3418-0    | PRODUCER COMPENSATION NOTICE   |
| 26 | IL0021      | 09-08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT   |
| 27 | IL0262      | 09-08 GEORGIA CHANGES-CANCELLATION AND NONRENEWAL  |
| 28 | IH9940      | 04-09 U.S. DEPT OF THE TREASURY, OFFICE OF FOREIGN ASSETS<br>CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS |
| 29 | IL0017      | 11-98 COMMON POLICY CONDITIONS   |
| 30 | IH9941      | 04-09 TRADE OR ECONOMIC SANCTIONS ENDORSEMENT  |
| 31 | HC3006      | 09-16 DISCRIMINATION - AMENDMENT OF PERSONAL &<br>ADVERTISING INJURY DEFINITION                                |
| 32 | HC2314      | 06-17 EXCLUSION - UNMANNED AIRCRAFT  |
| 33 | HS1202      | 06-08 *POLICY CHANGES  |
| 34 | HS2530      | 06-08 *PER LOCATION - AMENDMENT OF GENERAL AGGREGATE<br>SUBJECT TO MAXIMUM ANNUAL AGGREGATE LIMIT              |



# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

## SECTION I - COVERAGES

### COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".
- e. **Incidental Medical Malpractice And Good Samaritan Coverage**
- "Bodily injury" arising out of the rendering of or failure to render the following health care services by any "employee" or "volunteer worker" shall be deemed to be caused by an "occurrence" for:

**(1) Professional health care services such as:**

- (a)** Medical, surgical, dental, laboratory, x-ray or nursing services or treatment, advice or instruction, or the related furnishing of food or beverages;
- (b)** Any health or therapeutic service, treatment, advice or instruction; or
- (c)** The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances; or

**(2) First aid services, which include:**

- (a)** Cardiopulmonary resuscitation, whether performed manually or with a defibrillator; or
- (b)** Services performed as a Good Samaritan.

For the purpose of determining the limits of insurance, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

However, this Incidental Medical Malpractice And Good Samaritan Coverage provision applies only if you are not engaged in the business or occupation of providing any of the services described in this provision.

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1)** That the insured would have in the absence of the contract or agreement; or
- (2)** Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

**(a)** Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

**(b)** Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1)** Causing or contributing to the intoxication of any person;
- (2)** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3)** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a)** The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b)** Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1)**, **(2)** or **(3)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1)** An "employee" of the insured arising out of and in the course of:



- (a) Employment by the insured; or
- (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

#### **f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- (i) Any insured; or
- (ii) Any person or organization for whom you may be legally responsible;

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the

operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

**(2) Any loss, cost or expense arising out of any:**

**(a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

**(b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1)** A watercraft while ashore on premises you own or rent;
- (2)** A watercraft you do not own that is:
  - (a)** Less than 51 feet long; and
  - (b)** Not being used to carry persons for a charge;
- (3)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

**(4)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

**(5)** "Bodily injury" or "property damage" arising out of:

**(a)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

**(b)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

**(6)** An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

**(1)** The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

**(2)** The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

**(1)** War, including undeclared or civil war;

**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**(3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

**(1)** Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement,

enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising from the use of elevators.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at the job site.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**q. Employment-Related Practices**

"Bodily injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**r. Asbestos**

- (1) "Bodily injury" or "property damage" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
  - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
  - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
  - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating,

detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

**s. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**Damage To Premises Rented To You - Exception For Damage By Fire, Lightning Or Explosion**

Exclusions c. through h. and j. through n. do not apply to damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

**COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
  - (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
  - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or



settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

## **2. Exclusions**

This insurance does not apply to:

### **a. Knowing Violation Of Rights Of Another**

"Personal and advertising injury" arising out of an offense committed by, at the direction or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

### **b. Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

### **c. Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material whose first publication took place before the beginning of the policy period.

### **d. Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### **e. Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

### **f. Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".

### **g. Quality Or Performance Of Goods - Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

## **h. Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services.

## **i. Infringement Of Intellectual Property Rights**

- (1) "Personal and advertising injury" arising out of any actual or alleged infringement or violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, trade dress, service mark or other designation of origin or authenticity; or
- (2) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

- (1) Infringement, in your "advertisement", of:
  - (a) Copyright;
  - (b) Slogan; or
  - (c) Title of any literary or artistic work; or
- (2) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

## **j. Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** of the definition of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

## **k. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the

insured hosts, owns, or over which the insured exercises control.

**l. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Internet Advertisements And Content Of Others**

"Personal and advertising injury" arising out of:

- (1) An "advertisement" for others on your web site;
- (2) Placing a link to a web site of others on your web site;
- (3) Content, including information, sounds, text, graphics, or images from a web site of others displayed within a frame or border on your web site; or

- (4) Computer code, software or programming used to enable:

(a) Your web site; or

(b) The presentation or functionality of an "advertisement" or other content on your web site.

**q. Right Of Privacy Created By Statute**

"Personal and advertising injury" arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act.

**r. Violation Of Anti-Trust law**

"Personal and advertising injury" arising out of a violation of any anti-trust law.

**s. Securities**

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds or other securities.

**t. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**u. Employment-Related Practices**

"Personal and advertising injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**v. Asbestos**

- (1) "Personal and advertising injury" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
  - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
  - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
  - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

**w. Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

**COVERAGE C MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;provided that:
  - (1) The accident takes place in the "coverage territory" and during the policy period;
  - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
  - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - (1) First aid administered at the time of an accident;
  - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under Coverage A.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed to the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.



## SECTION II - WHO IS AN INSURED

### 1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

### 2. Each of the following is also an insured:

#### a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

- (1) "Bodily injury" or "personal and advertising injury":
  - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
  - (b) To the spouse, child, parent, brother or sister of that co-"employee" or that

"volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (1)(b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services:

(a) Subparagraphs (1)(a), (1)(b) and (1)(c) above do not apply to any "employee" or "volunteer worker" providing first aid services; and

(b) Subparagraph (1)(d) above does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

### (2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

#### b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

#### c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

#### d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

#### e. Unnamed Subsidiary

Any subsidiary, and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which such insured is also a named insured under another policy or would be a named insured under such policy but for its termination or the exhaustion of its limits of insurance.

### **3. Newly Acquired Or Formed Organization**

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

### **4. Nonowned Watercraft**

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

### **5. Additional Insureds When Required By Written Contract, Written Agreement Or Permit**

The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

#### **a. Vendors**

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Sub-paragraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

**b. Lessors Of Equipment**

(1) Any person(s) or organization(s) from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

(2) With respect to the insurance afforded to these additional insureds this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

**c. Lessors Of Land Or Premises**

Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

With respect to the insurance afforded these additional insureds the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

**d. Architects, Engineers Or Surveyors**

Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or

omissions of those acting on your behalf:

(1) In connection with your premises; or

(2) In the performance of your ongoing operations performed by you or on your behalf.

With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
2. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.

**e. Permits Issued By State Or Political Subdivisions**

Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

With respect to the insurance afforded these additional insureds, this insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

**f. Any Other Party**

Any other person or organization who is not an additional insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations;

- (2) In connection with your premises owned by or rented to you; or
- (3) In connection with "your work" and included within the "products-completed operations hazard", but only if
  - (a) The written contract or agreement requires you to provide such coverage to such additional insured; and
  - (b) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

However:

- (1) The insurance afforded to such additional insured only applies to the extent permitted by law; and
- (2) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.

The limits of insurance that apply to additional insureds is described in Section III - Limits Of Insurance.

How this insurance applies when other insurance is available to the additional insured is described in the Other Insurance Condition in Section IV - Commercial General Liability Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

#### 1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

#### 2. General Aggregate Limit

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage B.

#### 3. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

#### 4. Personal And Advertising Injury Limit

Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

#### 5. Each Occurrence Limit

Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

#### 6. Damage To Premises Rented To You Limit

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.



In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

#### **7. Medical Expense Limit**

Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

#### **8. How Limits Apply To Additional Insureds**

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- a. The limits of insurance specified in the written contract or written agreement; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

#### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

#### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

##### **a. Notice Of Occurrence Or Offense**

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

##### **b. Notice Of Claim**

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

##### **c. Assistance And Cooperation Of The Insured**

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

##### **d. Obligations At The Insureds Own Cost**

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **e. Additional Insureds Other Insurance**

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

##### **f. Knowledge Of An Occurrence, Offense, Claim Or Suit**

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or the additional insured is a partnership;

- (3) Any manager, if you or the additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or the additional insured is a corporation;
- (5) Any trustee, if you or the additional insured is a trust; or
- (6) Any elected or appointed official, if you or the additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

#### b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

##### (1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

##### (2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

### (3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

### (4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability;

### (5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion j. of Section I - Coverage A - Bodily Injury And Property Damage Liability;

### (6) When You Are Added As An Additional Insured To Other Insurance

Any other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

### (7) When You Add Others As An Additional Insured To This Insurance

Any other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this coverage part.

#### (a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

#### (b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement, or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium

computation, and send us copies at such times as we may request.

**6. Representations**

**a. When You Accept This Policy**

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and
- (3) We have issued this policy in reliance upon your representations.

**b. Unintentional Failure To Disclose Hazards**

If unintentionally you should fail to disclose all hazards relating to the conduct of your business that exist at the inception date of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**8. Transfer Of Rights Of Recovery Against Others To Us**

**a. Transfer Of Rights Of Recovery**

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)**

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the

nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION V - DEFINITIONS

1. **"Advertisement"** means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper; or
- b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
  - b. An interactive conversation between or among persons through a computer network.
2. **"Advertising idea"** means any idea for an "advertisement".
3. **"Asbestos hazard"** means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.
4. **"Auto"** means:
- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. **"Bodily injury"** means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. **"Coverage territory"** means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

c. All other parts of the world if the injury or damage arises out of:

- (1) Goods or products made or sold by you in the territory described in a. above;
- (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to.

7. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".

8. **"Employment-Related Practices"** means:

- a. Refusal to employ that person;
- b. Termination of that person's employment; or
- c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person.

9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

11. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

12. **"Insured contract"** means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage to



Premises Rented To You Limit described in Section III - Limits of Insurance;

- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.

**13. "Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

**14. "Loading or unloading"** means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

**15. "Mobile equipment"** means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

**16. "Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

**17. "Personal and advertising injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral, written or electronic publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral, written or electronic publication, in any manner, of material that violates a person's right of privacy;
- f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or
- g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

**18. "Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**19. "Products-completed operations hazard":**

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

**20. "Property damage" means:**

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
  - b. Created or used on; or
  - c. Transmitted to or from;
- computer software, including systems and applications software, hard or floppy disks, CD-

ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**21. "Suit"** means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

**22. "Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

**23. "Volunteer worker"** means a person who

- a. Is not your "employee";
- b. Donates his or her work;
- c. Acts at the direction of and within the scope of duties determined by you; and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**24. "Your product":**

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

**25. "Your work":**

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL PERSONS OR ORGANIZATIONS DESIGNATED AS NAMED INSUREDS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

The following person(s) or organizations(s) are added as Named Insureds under this policy:

LDX SOLUTIONS  
DUSTEX HOLDINGS, LLC  
DUSTEX SOLUTIONS, LLC  
DUSTEX INVESTMENT HOLDINGS, LLC  
DUSTEX, LLC  
LUNDBERG, LLC  
E&E SYSTEMS, LLC  
SPARSTANE INVESTMENT HOLDINGS, LLC  
SPARSTANE TECHNOLOGIES, LLC  
SPARTSTANE, LLC  
A.H. LUNDBERG ASSOCIATES, INC.  
DUSTEX CORPORATION



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PREMIUM COMPUTATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- (1) The Advance Premium set forth in Item **2.** of the Declarations is adjustable, and is only an estimated premium for the Audit Period set forth in Item **1.** of the Declarations.

The final earned premium for the Audit Period shall be determined as specified in paragraph **b.** of the **Premium Audit** Condition (Section IV).

The Audit Premium referred to in such paragraph **b.** shall be computed by applying the Rate of                      per                      of the Premium Base identified in **(2)** below. Such Rate is net of any taxes, licenses, or fees.

- (2) The Premium Base shall be identified in **(A)** and **(B)** below:

**(A) PREMIUM BASE:**

- ☒ Gross "Sales," excluding "aircraft products;"  
Excluding "intercompany sales;" and  
Excluding "foreign sales."
- ☐ "Payroll," as determined immediately below:
- ☐ Gross Unmodified "Payroll"
  - ☐ "Workers Compensation Payroll"
  - ☐ "Workers Compensation Payroll" excluding:
    - (1) "Clerical Office Employees;"
    - (2) "Salesmen, Collectors, Messengers;"
    - (3) Drivers and their helpers if principal duties are to work on or in connection with "autos."
- ☒ Other: (Describe) [REDACTED]

**(B) SPECIFIC DELETIONS FROM PREMIUM BASE, IF ANY:**

- ☐ Designated Products described in the following endorsements:
- ☐ Designated Operations described in the following endorsements:
- ☐ Other, described in the following endorsements:

**(3)** As used in this endorsement, the following additional definitions apply:

"Aircraft" includes but is not limited to heavier-than-air flying vehicles, helicopters, gliders, missiles or spacecraft.

"Aircraft products" means "aircraft" and any other goods or products manufactured, sold, handled or distributed or services provided or recommended by the insured or by others trading under his or her name for use in the manufacture, repair, operation, maintenance or use of any "aircraft."

"Aircraft products" includes:

- a.** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "aircraft products;" and
- b.** The providing of or failure to provide warnings or instructions.

"Clerical Office Employees" means those employees who work in an area which is physically separated by walls, floors or partitions from all your other work areas and whose duties are strictly limited to keeping your books or records or conducting correspondence, including any other employees engaged in clerical work in the same area.

"Foreign Sales," unless otherwise specifically defined in an endorsement forming a part of this policy, are "sales" which directly emanate from the sale of "your product" sold for use or consumption outside the United States of America, its territories or possessions, or Canada.

"Intercompany sales," unless otherwise specifically defined in an endorsement forming a part of this policy, are "sales" between you and any other organization covered under this policy over which you maintain ownership or majority interest in.

"Payroll" means remuneration. Remuneration means money or substitute for money.

"Sales" means the gross amount charged by the Named Insured, concessionaires of the Named Insured, or by others trading under the insured's name for:

- (a)** All goods or products sold or distributed;
- (b)** Operations performed; or
- (c)** Rentals

during the Audit Period set forth in Item **3.** of the Declarations;

The following items shall be deducted from "sales:"

- (a)** Sales or excise taxes which are collected and submitted to a governmental division;
- (b)** Credits for repossessed merchandise and products returned and allowance for damaged and spoiled goods;
- (c)** Finance charges for items sold on installments;
- (d)** Freight charges on sales if freight is charged as a separate item on customer's invoice; and
- (e)** Royalty income from patent rights or copyrights which are not product "sales."

"Salesmen, collectors, and messengers" means those employees engaged principally in any such duties away from the Named Insured's premises.

"Workers' Compensation Payroll" means "payroll" developed in accordance with the applicable Workers' Compensation manual.



# COMMERCIAL GENERAL LIABILITY SCHEDULE

Policy Number: 52 CES OF6859

This Schedule Forms a part of the COMMERCIAL GENERAL LIABILITY  
Coverage Part.

Entries herein, except as specifically provided elsewhere in this policy, do not modify any of the other provisions of this policy.

| Rating Classifications  | Code No. | Premium Basis | Rate             | Premium    |
|---|----------|---------------|------------------|------------|
| PREMISES OPERATIONS<br>Applies to audited sales up<br>to and including [REDACTED] | 98550    | [REDACTED]    | [REDACTED]       | [REDACTED] |
| PREMISES OPERATIONS<br>Applies to all audited sales<br>in excess of [REDACTED]    | 98550    | [REDACTED]    | [REDACTED]       | [REDACTED] |
| PRODUCTS/COMPLETED OPS  |          |               |                  | [REDACTED] |
| EMPLOYEE BENEFITS LIABILITY   |          |               |                  | [REDACTED] |
| TERRORISM CHARGE  |          |               | [REDACTED]       | [REDACTED] |
| COMPOSITE RATED: PER<br>[REDACTED] OF SALES/RECEIPTS                              |          |               |                  |            |
|   |          |               | ADVANCE PREMIUM: | [REDACTED] |



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 PRODUCTS-COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 EMPLOYEE BENEFITS LIABILITY COVERAGE PART

| SCHEDULE   |  |   |  |
|--|--|---|--|
| Specific Coverage(s) To Which Deductible Applies (Designated by an "X" Below:) | Amount and Basis of Deductible Application |   |  |
|  | Any One Claim, If Any                      | Any One "Occurrence" and/or "Offense," If Any | Aggregate Applicable To Specific Coverage(s), If Any |
| [ X ] "Bodily Injury"  | \$ N/A                                     | \$ SEE BELOW                                  | \$ N/A   |
| [ X ] "Property Damage"  | \$ N/A                                     | \$ SEE BELOW                                  | \$ N/A   |
| [ X ] "Personal and Advertising Injury"  | \$ N/A                                     | \$ SEE BELOW                                  | \$ N/A   |
| [ ] "Employee Benefits Injury"   | \$ N/A                                     | \$ SEE END 'T                                 | \$ N/A   |
| DESIGNATED COVERAGES COMBINED  | \$ N/A                                     | \$ [REDACTED]                                 | \$ N/A   |

**APPLICATION OF ENDORSEMENT:** Enter below any modifications on the application of this endorsement. If no modification is entered, the deductible(s) set forth in the SCHEDULE apply to damages and "claim expenses" for all "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury", to which this insurance applies, however caused:

- Subject to the Limits of Insurance and all other terms and conditions of this Coverage Part, our obligation to pay damages and "claim expenses" on your behalf applies only to the amount of damages and "claim expenses" in excess of any deductible amounts set forth in the SCHEDULE as applicable to such Coverages.
- You may select for any one Specific Coverage or DESIGNATED COVERAGES COMBINED:
  - An Any One Claim deductible (Claim deductible);
  - An Any One "Occurrence" and/or Offense deductible ("Occurrence"/Offense deductible); or
  - The option to have both a Claim deductible and an "Occurrence"/Offense deductible.

You may choose to make a., b. or c. subject to an Aggregate deductible. Your choices of deductible amounts and coverages are shown on the SCHEDULE above.
- If the deductible amount indicated in the SCHEDULE above applies on a per claim basis (option a. of subsection 2. above) the deductible applies as follows:



- a. To all damages and "claim expenses" arising out of "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury" to which this insurance may apply as a result of any one claim; or
- b. Under DESIGNATED COVERAGES COMBINED, to all damages and "claim expenses" arising out of "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury" to which this insurance may apply as a result of any one claim

regardless of the number of persons or organizations who sustain damages because of that one claim.

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury," a separate deductible amount will be applied to each person making a claim for such damages.

4. If the deductible amount indicated in the SCHEDULE above applies on a per "occurrence" and/or offense basis (option b. of subsection 2. above) the deductible applies as follows:
  - a. To all damages and "claim expenses" arising out of "bodily injury" or "property damage" to which this insurance may apply as a result of any one "occurrence";
  - b. To all damages and "claim expenses" arising out of "personal and advertising injury" or "employee benefits injury", to which this insurance may apply as a result of any one offense; or
  - c. Under DESIGNATED COVERAGE COMBINED, to all damages and "claim expenses" arising out of "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury" to which this insurance may apply as a result of any one "occurrence" or offense

regardless of the number of persons or organizations who sustain damages because of that one "occurrence" and/or offense.

5. If the deductible amount indicated in the SCHEDULE above applies on a per claim and per "occurrence" and/or offense basis (option c. of subsection 2. above):
  - a. The deductible amount applicable to each claim is as set forth in 3. above; however,
  - b. The maximum deductible applicable to each "occurrence" and/or offense, regardless of the number of claims, shall be determined as set forth in 4. above.
6. However, the amount(s) to be deducted for any one Specific Coverage or DESIGNATED COVERAGES COMBINED, under option 3., 4. or 5. above shall not exceed the amount, if any, set forth as Aggregate as applicable to such Specific Coverage or DESIGNATED COVERAGES COMBINED.
7. Subject to 6. above, the respective Limits of Insurance applicable to each "occurrence" or each offense shall be reduced by payment of damages (not "claim expenses") by the application of the deductible in 3., 4. or 5. above. Likewise, the Aggregate Limits of Insurance set forth by an "X" below shall be reduced by such application:

- ☒ General Aggregate
- ☒ Products-Completed Operations Aggregate
- ☐ Other:

8. The terms of this insurance, including those with respect to (a) our rights and duties to defend any claim or "suit" seeking such damages, and (b) your duties in the event of an "occurrence," offense, claim or "suit" apply irrespective of the deductible amount.
9. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.
10. The deductible amounts in this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the amount of the deductible.
11. If coverage is available under this policy, the insured must pay the applicable deductible amount(s) provided in the SCHEDULE above. The payment or satisfaction of any deductible or self-insured amount (or retention) under any other policy issued by us, or any other carrier, shall not satisfy the insured's obligation to pay the applicable deductible under this policy. If coverage is available under this policy and other policies issued by us, then the insured must pay any deductible(s) or self-insured amounts under each policy that is issued by us.

For the purposes of this endorsement the following shall apply:

- A. The words claim and damages shall mean the defined term, if any, that is found in the applicable Coverage Part; and
- B. "Claim expenses" means all expenses we incur in accordance with item 1.a. under Supplementary Payments of the applicable Coverage Part and includes any amendments thereof.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 PRODUCTS-COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 EMPLOYEE BENEFITS LIABILITY COVERAGE PART

| SCHEDULE   |  |   |  |
|--|--|---|--|
| Specific Coverage(s) To Which Deductible Applies (Designated by an "X" Below:) | Amount and Basis of Deductible Application |   |  |
|  | Any One Claim, If Any                      | Any One "Occurrence" and/or "Offense," If Any | Aggregate Applicable To Specific Coverage(s), If Any |
| <input type="checkbox"/> "Bodily Injury"                                       | \$ N/A                                     | \$ SEE END 'T                                 | \$ N/A   |
| <input type="checkbox"/> "Property Damage"                                     | \$ N/A                                     | \$ SEE END 'T                                 | \$ N/A   |
| <input type="checkbox"/> "Personal and Advertising Injury"                     | \$ N/A                                     | \$ SEE END 'T                                 | \$ N/A   |
| <input checked="" type="checkbox"/> "Employee Benefits Injury"                 | \$ N/A                                     | \$ [REDACTED]                                 | \$ N/A   |
| DESIGNATED COVERAGES COMBINED  | \$ N/A                                     | \$ N/A  | \$ N/A   |

APPLICATION OF ENDORSEMENT: Enter below any modifications on the application of this endorsement. If no modification is entered, the deductible(s) set forth in the SCHEDULE apply to damages and "claim expenses" for all "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury", to which this insurance applies, however caused:

THE ABOVE DEDUCTIBLE APPLIES TO EMPLOYEE BENEFITS ONLY.

1. Subject to the Limits of Insurance and all other terms and conditions of this Coverage Part, our obligation to pay damages and "claim expenses" on your behalf applies only to the amount of damages and "claim expenses" in excess of any deductible amounts set forth in the SCHEDULE as applicable to such Coverages.
2. You may select for any one Specific Coverage or DESIGNATED COVERAGES COMBINED:
  - a. An Any One Claim deductible (Claim deductible);
  - b. An Any One "Occurrence" and/or Offense deductible ("Occurrence"/Offense deductible); or
  - c. The option to have both a Claim deductible and an "Occurrence"/Offense deductible.

You may choose to make a., b. or c. subject to an Aggregate deductible. Your choices of deductible amounts and coverages are shown on the SCHEDULE above.
3. If the deductible amount indicated in the SCHEDULE above applies on a per claim basis (option a. of subsection 2. above) the deductible applies as follows:

- a. To all damages and "claim expenses" arising out of "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury" to which this insurance may apply as a result of any one claim; or
- b. Under DESIGNATED COVERAGES COMBINED, to all damages and "claim expenses" arising out of "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury" to which this insurance may apply as a result of any one claim

regardless of the number of persons or organizations who sustain damages because of that one claim.

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury," a separate deductible amount will be applied to each person making a claim for such damages.

- 4. If the deductible amount indicated in the SCHEDULE above applies on a per "occurrence" and/or offense basis (option b. of subsection 2. above) the deductible applies as follows:
  - a. To all damages and "claim expenses" arising out of "bodily injury" or "property damage" to which this insurance may apply as a result of any one "occurrence";
  - b. To all damages and "claim expenses" arising out of "personal and advertising injury" or "employee benefits injury", to which this insurance may apply as a result of any one offense; or
  - c. Under DESIGNATED COVERAGE COMBINED, to all damages and "claim expenses" arising out of "bodily injury", "property damage", "personal and advertising injury" or "employee benefits injury" to which this insurance may apply as a result of any one "occurrence" or offense

regardless of the number of persons or organizations who sustain damages because of that one "occurrence" and/or offense.

- 5. If the deductible amount indicated in the SCHEDULE above applies on a per claim and per "occurrence" and/or offense basis (option c. of subsection 2. above):
  - a. The deductible amount applicable to each claim is as set forth in 3. above; however,
  - b. The maximum deductible applicable to each "occurrence" and/or offense, regardless of the number of claims, shall be determined as set forth in 4. above.
- 6. However, the amount(s) to be deducted for any one Specific Coverage or DESIGNATED COVERAGES COMBINED, under option 3., 4. or 5. above shall not exceed the amount, if any, set forth as Aggregate as applicable to such Specific Coverage or DESIGNATED COVERAGES COMBINED.
- 7. Subject to 6. above, the respective Limits of Insurance applicable to each "occurrence" or each offense shall be reduced by payment of damages (not "claim expenses") by the application of the deductible in 3., 4. or 5. above. Likewise, the Aggregate Limits of Insurance set forth by an "X" below shall be reduced by such application:

- ☒ General Aggregate
- ☐ Products-Completed Operations Aggregate
- ☐ Other:

- 8. The terms of this insurance, including those with respect to (a) our rights and duties to defend any claim or "suit" seeking such damages, and (b) your duties in the event of an "occurrence," offense, claim or "suit" apply irrespective of the deductible amount.
- 9. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.
- 10. The deductible amounts in this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the amount of the deductible.
- 11. If coverage is available under this policy, the insured must pay the applicable deductible amount(s) provided in the SCHEDULE above. The payment or satisfaction of any deductible or self-insured amount (or retention) under any other policy issued by us, or any other carrier, shall not satisfy the insured's obligation to pay the applicable deductible under this policy. If coverage is available under this policy and other policies issued by us, then the insured must pay any deductible(s) or self-insured amounts under each policy that is issued by us.

For the purposes of this endorsement the following shall apply:

- A. The words claim and damages shall mean the defined term, if any, that is found in the applicable Coverage Part; and
- B. "Claim expenses" means all expenses we incur in accordance with item 1.a. under Supplementary Payments of the applicable Coverage Part and includes any amendments thereof.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## EMPLOYEE BENEFITS LIABILITY COVERAGE ENDORSEMENT - CLAIMS MADE

**THIS IS A CLAIMS MADE ENDORSEMENT. PLEASE READ ALL PROVISIONS AND CONTACT YOUR AGENT IF YOU HAVE ANY QUESTIONS. THIS ENDORSEMENT APPLIES ONLY TO "EMPLOYEE BENEFITS INJURY" CAUSED BY AN "OFFENSE" COMMITTED BETWEEN THE RETROACTIVE DATE IN THE SCHEDULE OF THIS ENDORSEMENT AND THE END OF THE POLICY PERIOD. ADDITIONALLY, THIS ENDORSEMENT APPLIES ONLY TO CLAIMS MADE AGAINST THE INSURED AFTER THE INCEPTION DATE AND BEFORE THE END OF THE POLICY PERIOD. UPON TERMINATION OF THIS ENDORSEMENT, AN EXTENDED REPORTING PERIOD MAY BE AVAILABLE.**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

| <b>SCHEDULE</b>                     |   |
|-------------------------------------|---|
| <b>Coverage:</b>                    | Employee Benefits Injury Liability  |
| <b>Premium:</b>                     | <u>INCLUDED</u>   |
| <b>Retroactive Date:</b>            | <u>06/30/2003</u> (If no date is entered, the Retroactive Date is the Inception Date of the policy period shown in the Common Policy Declarations.) |
| <b>Limits of Insurance</b>          |   |
| \$1,000,000                         | Each "Offense" Limit  |
| N/A                                 | Each "Claim" Limit  |
| \$2,000,000                         | Aggregate Limit   |
| <input checked="" type="checkbox"/> | Included in the General Aggregate Limit set forth in the Commercial General Liability Coverage Part Declarations; or                                |
| <input type="checkbox"/>            | Applies separately to Employee Benefits Injury Liability.   |

The following is added to **Section I - Coverages:**

### **COVERAGE - EMPLOYEE BENEFITS LIABILITY**

#### **1. Insuring Agreement**

- a. We will pay those sums that the insured shall become legally obligated to pay as damages because of "employee benefits injury" to which this endorsement applies. We will have the right and duty to defend the insured against any "claim" or "suit" seeking those

damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "employee benefits injury" to which this endorsement does not apply.

We may at our discretion investigate any "offense" and settle any such "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited to the amount described in the Limits of Insurance section of this endorsement; and

- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements to which this endorsement applies.

No obligation to pay claim expenses or any other liability to pay sums or perform acts or services is covered unless explicitly provided under the **Supplementary Payments** section of the Coverage Part of which this endorsement forms a part.

- b. This endorsement applies to "employee benefits injury" only if:
- (1) The "offense" was not committed before the Retroactive Date, if any, shown in the above Schedule or after the end of the policy period shown in the Common Policy Declarations;
  - (2) The "employee benefits injury" is caused by an "offense" committed in the "coverage territory"; and
  - (3) A "claim" for damages because of the "employee benefits injury" is first made against any insured, in accordance with paragraphs c. and d. below, during the policy period or any Extended Reporting Period we provide under the Extended Reporting Period section of this endorsement.
- c. A "claim" by a person or organization seeking damages will be deemed to have been made when notice of such "claim" is received and recorded by an insured or by us, whichever comes first.
- d. All "claims" for damages because of "employee benefits injury" to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against the insured.

## 2. Exclusions

This insurance does not apply to:

a. **Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. **Bodily Injury, Property Damage, Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

c. **Failure To Perform A Contract**

Damages arising out of failure of performance of contract by any insurer.

## d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

## e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

## f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

## g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

## h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

## i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

## j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

## 3. For the purposes of the coverage provided by this endorsement:

- a. All references to **Supplementary Payments - Coverages A and B** are replaced by **Supplementary Payments - Coverages A, B and Employee Benefits Liability**.
- b. Paragraphs 1.b., and 2. of the **Supplementary Payments** provision do not apply.

## 4. Limits of Insurance

- a. The Limits of Insurance set forth in the above Schedule and the rules below fix the most we will pay regardless of the number of:

- (1) Insureds;
  - (2) "Claims" made or "suits" brought; or
  - (3) Persons or organizations making "claims" or bringing "suits".
- b. The Aggregate Limit set forth in the above Schedule is the most we will pay for all damages to which this endorsement applies.
- c. Subject to b. above:
- (1) The Each "Offense" Limit if any, set forth in the above Schedule, is the most we will pay for all damages with respect to any one "offense"; or
  - (2) The Each "Claim" limit set forth in the above Schedule, is the most we will pay for all damages sustained by any one "employee" including any "employee's" dependent or beneficiary
- whichever of (1) or (2) applies.

The Limits of Insurance shown in the above Schedule apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Common Policy Declarations, unless the endorsement is extended after issuance for an additional period of less than 12 months. In that case the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

## 5. Conditions

For the purposes of this endorsement only, the **Representations Condition** and **Other Insurance Condition** (Section IV) are amended as follows:

- a. The Representations Condition is deleted and replaced by the following:
- By accepting this endorsement, you agree:
- (1) The statements in the Declarations of the Coverage Part of which this endorsement forms a part are accurate and complete;
  - (2) Those statements are based upon representations you made to us;
  - (3) At the time you applied for this endorsement you had no knowledge of any "claim" or "suit"; or of any "offense" which might reasonably be expected to result in a "claim" or "suit", except as you had reported to us in writing at the time you so applied;
  - (4) We have issued this endorsement in reliance upon your representations; and
  - (5) If you should unintentionally fail to disclose at the inception date of this policy of which this endorsement forms a part any

conditions in your premises or operations that may result in a "claim" under this endorsement, but have not resulted in a "claim" as of the inception date of this policy, we shall not deny coverage under this endorsement because of such failure. However, this provision does not apply to failure to disclose at the inception of the policy any knowledge of any "claim" or "suit" or of any "offense" which might reasonably be expected to result in a "claim" or "suit".

- b. The following is added to the **Other Insurance Condition**, paragraph 4.b. **Excess Insurance**:

- (f) Any other insurance that applies to "employee benefits injury" on other than a claims-made basis, if:
  - (1) No Retroactive Date is set forth in the above Schedule; or
  - (2) Such other insurance has a policy period which continues after the Retroactive Date set forth in the above Schedule.

## 6. Definitions

For the purposes of this endorsement only, the following additional definitions apply:

- a. "Administration" means:
- (1) Giving counsel to your "employees" or their dependents and beneficiaries, with respect to interpreting the scope of your "employee benefits program" or their eligibility to participate in such programs; and
  - (2) Handling records in connection with an "employee benefits program".
- b. "Claim" means a demand made by any "employee" or "employee's" dependent or beneficiary, for damages alleging "employee benefits injury", including the institution of a "suit" for such damages against the insured.
- c. "Employee benefits injury" means injury that arises out of any negligent act, error or omission in the "administration" of your "employee benefits programs".
- d. "Employee benefits program" means a formal program or programs of "employee" benefits maintained in connection with your business or operation, such as but not limited to:
- (1) Group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such insurance or plans; and



- (2) Unemployment insurance, social security benefits, workers' compensation and disability benefits.

- e. "Offense" means, with respect to "employee benefits injury", an act, error or omission described in the "administration" of your "employee benefits program". All "employee benefits injury" arising out of the same or similar act, error or omission shall be considered as arising solely out of one "offense".
- f. "Suit" means, with respect to "employee benefits injury", a civil proceeding in which damages because of "employee benefits injury" to which this endorsement applies are alleged. "Suit" includes:
  - (1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

## **7. Extended Reporting Periods**

For purposes of the coverage provided by this endorsement, we will provide one or more Extended Reporting Periods as described below:

### **a. Basic Extended Reporting Period**

- (1) Regardless of why the Coverage Part or this endorsement is canceled or non-renewed, we will automatically provide a Basic Extended Reporting Period starting at the end of the policy period, and lasting for a period of sixty (60) days. The Basic Extended Reporting Period is provided at no charge.
- (2) The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

### **b. Extended Reporting Period**

- (1) If the Coverage Part or this endorsement is canceled or non-renewed for any reason other than non-payment of premium, we will offer, for an additional premium as set forth in paragraph (3) below, an Extended Reporting Period Option as set forth in paragraph (2) below.

- (2) You may select an Extended Reporting Period Option starting at the end of the policy period and lasting for one (1) year.
- (3) Premium for the Extended Reporting Period Option will be determined by taking into account the following:
  - (a) The exposures insured;
  - (b) Previous types and amounts of insurance;
  - (c) Limits of Insurance available under this endorsement for future payment of damages; and
  - (d) Other related factors.
- (4) We will issue an Extended Reporting Period endorsement only if:
  - (a) You request it within sixty (60) days of the end of the policy period;
  - (b) You have paid all premiums due for this policy at the time you request an Extended Reporting Period endorsement; and
  - (c) You promptly pay when due the additional premium for the Extended Reporting Period endorsement.

- c. During the Extended Reporting Period, coverage under this endorsement applies as excess over any valid and collectible insurance available under policies in force after such Extended Reporting Period starts.

### **d. All Extended Reporting Periods**

The Basic Extended or Extended Reporting Periods:

- (1) Do not extend the policy period or change the scope of coverage provided. They only apply to "claims" for "employee benefits injury" that occurs before the end of the policy period but not before the Retroactive Date, if any, shown in the above Schedule;
- (2) Do not reinstate or increase the Limits of Insurance shown in the above Schedule. The Limits of Insurance for any Extended Reporting Period shall be a part of, and not in addition to, the Limits of Insurance shown in the above Schedule. This applies regardless of the number of involved insureds, or any other factors;
- (3) Are not renewable; and
- (4) Cannot, once in effect, be canceled. We need not return any part of the premium paid for any reason whatsoever.



**Named Insured and Address:** LDX SOLUTIONS  
60 CHASTAIN CENTER BLVD NW  
SUITE 60  
KENNESAW, GA 30144

## CONFIRMATION OF COVERAGE ELECTION - TERRORISM RISK INSURANCE ACT

We have previously notified you that in accordance with the federal Terrorism Risk Insurance Act, as amended (TRIA), we must make terrorism coverage available in the policies we offer.

A "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of TRIA, to be an act of terrorism under TRIA. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act results in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
2. The act results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and
3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The United States Department of the Treasury will reimburse insurers for a portion of such insured losses as indicated in the table below that exceeds the applicable insurer deductible:

| Calendar Year | Federal Share of<br>Terrorism Losses |
|---------------|--------------------------------------|
| 2015          | 85%                                  |
| 2016          | 84%                                  |
| 2017          | 83%                                  |
| 2018          | 82%                                  |
| 2019          | 81%                                  |
| 2020 or later | 80%                                  |

However, if aggregate insured losses attributable to "certified acts of terrorism" under TRIA exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States Government has not charged any premium for their participation in covering terrorism losses.

If aggregate insured losses attributable to "certified acts of terrorism" under TRIA exceed \$100 billion in a calendar year and we have met, or will meet, our insurer deductible under TRIA we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible. In accordance with Treasury procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.

At that time we advised you that the premium for such terrorism coverage would be \$ [REDACTED].

**Please be advised that this premium charge may be adjusted at audit if applicable.** As a result of our notification, you have made the following election:

**Accepted Terrorism Coverage:** ☒

**Rejected Terrorism Coverage:** ☐

#### **TERRORISM EXCLUSION ON YOUR BINDER AND/OR POLICY AND ITS RENEWALS**

If the "Rejected Terrorism Coverage" box above is checked, you have previously rejected such coverage by signing a written rejection statement and returning such document to us.

By doing so you authorized the attachment of terrorism exclusion(s) to your binder and/or policy and to all subsequent renewals. Unless you contact your agent, broker or representative and accept coverage prior to the inception of your renewal policy, the terrorism exclusion(s) will apply to all subsequent renewals.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM  
DATA BREACH COVERAGE FORM  
EDUCATORS PROFESSIONAL CHOICE POLICY  
EMPLOYEE BENEFITS LIABILITY COVERAGE FORM  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
LIBRARY ERRORS AND OMISSIONS LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRINTER'S ERRORS AND OMISSIONS LIABILITY COVERAGE FORM  
PRODUCT RECALL EXPENSE COVERAGE FORM  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF TRANSPORTATION

### **A. Disclosure Of Federal Share Of Terrorism Losses**

The United States Department of the Treasury will reimburse insurers for a portion of such insured losses as indicated in the table below that exceeds the applicable insurer deductible:

| <b>Calendar Year</b> | <b>Federal Share of Terrorism Losses</b> |
|----------------------|--|
| <b>2015</b>          | <b>85%</b>                               |
| <b>2016</b>          | <b>84%</b>                               |
| <b>2017</b>          | <b>83%</b>                               |
| <b>2018</b>          | <b>82%</b>                               |
| <b>2019</b>          | <b>81%</b>                               |
| <b>2020 or later</b> | <b>80%</b>                               |

However, if aggregate insured losses attributable to "certified acts of terrorism" under the federal Terrorism Risk Insurance Act, as amended (TRIA) exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States Government has not charged any premium for their participation in covering terrorism losses.

### **B. Cap On Insurer Liability For Terrorism Losses**

A "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism under TRIA. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act results in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
2. The act results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and
3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to "certified acts of terrorism" under TRIA exceed

\$100 billion in a calendar year and we have met, or will meet, our insurer deductible under TRIA we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible. In accordance with Treasury procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.

#### **C. Application of Other Exclusions**

The terms and limitations of any terrorism exclusion, the inapplicability or omission of a terrorism exclusion, or the inclusion of Terrorism coverage, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion, Pollution Exclusion, or War Exclusion.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADJUSTMENT OF TERRORISM CHARGES AT AUDIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

It is agreed that:

The premium set forth in your policy, on your declarations page or any separate endorsement for Certified Acts of Terrorism, is a preliminary premium based on your original premium and will be recomputed and adjusted by applying a charge of [REDACTED] to the premium computed at your final audit. The addition of this terrorism charge will result in your final audited premium.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - UNNAMED SUBSIDIARY AND  
LIMITATION - NEWLY ACQUIRED OR FORMED  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**Section II - Who Is An Insured** is changed as follows:

- A.** Paragraph **2.e. Unnamed Subsidiary** does not apply.
- B.** Paragraph **3.a. Newly Acquired or Formed Organization** is deleted and replaced by the following:
  - 3.a.** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - INTERCOMPANY SUITS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This policy does not apply to any claim for damages by any Named Insured against another Named Insured because of "bodily injury," "property damage," "personal and advertising injury" arising out of your operations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - FUNGI, BACTERIA AND VIRUSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
EDUCATORS LEGAL LIABILITY COVERAGE FORM  
CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM

This insurance does not apply to:

1. Injury or damage arising out of or related to the presence of, suspected presence of, or exposure to:
  - a. Fungi, including but not limited to mold, mildew, and yeast;
  - b. Bacteria;
  - c. Viruses; or
  - d. Dust, spores, odors, particulates or byproducts, including but not limited to mycotoxins and endotoxins, resulting from any of the organisms listed in a., b., or c. above;from any source whatsoever.
2. Any loss, cost or expense arising out of the testing for, monitoring of, cleaning up of, removal of, containment of, treatment of, detoxification of, neutralization of, remediation of, disposal of, or any other response to or assessment of, the effects of any of the items in 1.a., b., c. or d. above, from any source whatsoever.

However, this exclusion does not apply to "bodily injury" or "property damage" caused by the ingestion of food.



**Named Insured and Address:** LDX SOLUTIONS  
60 CHASTAIN CENTER BLVD NW  
**Endt. No.** 14 SUITE 60  
KENNESAW, GA 30144

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ABSOLUTE POLLUTION EXCLUSION EXCEPTION FOR MOBILE EQUIPMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Subparagraph f. (1)(d) of the **Absolute Pollution Exclusion** (Form HC 21 23) is replaced by the following:

- (d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations.  
However, this subparagraph does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids:
- (i)** Escape from a vehicle part designed to hold, store or receive them; and
  - (ii)** Are brought on or to the premise, site or location in connection with such operations by such insured, contractor or subcontractor.

This exception does not apply if the "bodily injury" or "property damage" arises out of:

- (1)** The intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispensed or release as part of the operations being performed by such insured, contractor or subcontractor.
- (2)** Operations directly or indirectly involved with or related to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants"; or



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ABSOLUTE POLLUTION EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

A. It is agreed that Exclusion **f.** is replaced by the following:

**f. (1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

**(a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured;

**(b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

**(c)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;

**(d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations;

**(e)** To the extent that any such "bodily injury" or "property damage" is included in the "products-completed operations hazard".

**(2)** Any loss, cost or expense arising out of any:

**(a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

**(b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

B. The last paragraph of **Section I - Coverage A** (after the exclusions) is replaced by the following:

Exclusions **c.** through **e.**, and **g.** through **n.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **Section III - Limits Of Insurance.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - TESTING OR CONSULTING ERRORS AND OMISSIONS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. An error, omission, defect or deficiency in:
  - a. Any test performed; or
  - b. An evaluation, a consultation or advice given; by or on behalf of any insured;

2. The reporting of or reliance upon any such test, evaluation, consultation or advice; or
3. An error, omission, defect or deficiency in experimental data or the insured's interpretation of that data.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph 1., 2. or 3.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - ENGINEERS, ARCHITECTS OR SURVEYORS PROFESSIONAL LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.

Professional services include:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and

2. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - AIRCRAFT PRODUCTS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. The following Exclusion is added:**

This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operation hazard" and arising out of:

1. "Aircraft products";
2. Reliance upon any representation or warranty made with respect to "aircraft products";
3. The "grounding" of any "aircraft"; or
4. Liability assumed by you under any contract or agreement if such liability arises out of "aircraft products".

**B. LIMITED EXCEPTION**

This exclusion does not apply to "bodily injury" to persons operating, maintaining, repairing or installing any "aircraft products" provided such "bodily injury" does not occur while the "aircraft" is in motion.

**C. For the purposes of this endorsement, the following definitions are added to the **Definitions** Section:**

1. "Aircraft" includes but is not limited to:
  - a. Heavier-than-air flying vehicles;

- b. Lighter-than-air flying vehicles;

- c. Helicopters;

- d. Gliders;

- e. Missiles; or

- f. Spacecraft.

**2. "Aircraft products" means:**

- a. "Aircraft"; or

- b. Any other goods or products, other than real property, designed, manufactured, sold, handled or distributed, or services produced or recommended by:

- (1) You; or

- (2) Others trading under your name;

for use in the manufacture, repair, operation, maintenance or use of any "aircraft".

**3. "Grounding" means:**

- a. The withdrawal of one or more "aircraft" from flight operations; or

- b. The imposition of speed, passenger or load restrictions on "aircraft".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - SILICA**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONDOMINIUM AND COOPERATIVE DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM  
EDUCATORS PROFESSIONAL CHOICE POLICY  
EMPLOYERS LIABILITY AND STOP GAP COVERAGE FORM  
ERRORS AND OMISSIONS LIABILITY COVERAGE FORM  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY - NEW YORK DEPARTMENT OF  
TRANSPORTATION

**A.** The following exclusion is added:

This insurance does not apply to:

**Silica**

Any injury, damage, loss, cost or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or relating to, in whole or in part, the "silica hazard".

**B.** The following is added to the **Definitions** Section:

"Silica hazard" means an exposure to, inhalation of or contact with, or threat of exposure to, inhalation of or contact with, the actual or alleged properties of silica or any silica containing materials and includes the mere presence of silica or any silica containing materials in any form.

Silica includes all forms of the compound silicon dioxide, including but not limited to quartz.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ABSOLUTE LEAD EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
FARM LIABILITY COVERAGE

This insurance does not apply to any damages, judgments, settlements, loss, costs or expenses that:

- a. May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to person or property which arises out of or would not have occurred in whole or in part but for the lead hazard; or
- b. Arise out of any request, demand or order to:
  1. Identify, abate, test for, sample, monitor, clean up, remove, cover, contain, treat, detoxify, decontaminate, neutralize or mitigate or in any way respond to or assess the effects of the lead hazard; or
  2. As a result of such effects, repair, replace or improve any property.

c. Arise out of any claim or any "suit" for damages because of:

1. Identification of, abatement of, testing for, sampling, monitoring, cleaning up, removing, covering, containing, treating, detoxifying, decontaminating, neutralizing or mitigating or in any way responding to or assessing the effects of the lead hazard; or
2. As a result of such effects, repairing, replacing or improving any property.

As used in this exclusion, lead hazard means an exposure or threat of exposure to the actual or alleged properties of lead and includes the mere presence or suspected presence of lead in any form or combination.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDMENT - POLICY PERIOD**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A.** It is hereby agreed that policy period, wherever it appears in the Coverage Part, means the following:  
Policy period means the period beginning with the inception date shown in the Common Policy Declarations and ending with the earlier of:
1. The date of cancellation of this Coverage Part; or
  2. The expiration date shown in the Common Policy Declarations.
- B.** The last paragraph of **Section III - Limits of Insurance** is deleted and replaced by the following:  
The Limits of Insurance of this Coverage Part apply separately to each policy period starting with the beginning of the policy period. If the policy period is extended after issuance for an additional period, such additional period will be deemed part of the policy period for purposes of determining the Limits of Insurance.
- C.** If any deductible applies to this Coverage Part, the deductible will apply in the same manner as the Limits of Insurance in paragraph **B.** above.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EARLIER NOTICE OF CANCELLATION OR NONRENEWAL PROVIDED BY US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
EDUCATORS LEGAL LIABILITY COVERAGE PART (CLAIMS MADE)  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURERS' ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRINTERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

### **SCHEDULE**

#### **Number of Days' Notice**

Cancellation: 60

Nonrenewal: 60

(If no entry is shown in the Schedule above for either Cancellation or Nonrenewal, the number of days notice for that condition is not amended by this endorsement)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation or nonrenewal, as provided in:

1. Paragraph **A.2.** of the **Cancellation** Common Policy Condition;
2. The Coverage Part; or
3. An applicable state cancellation or nonrenewal endorsement,

whichever may apply, is increased to the number of days shown in the Schedule above.

In no event, however, will notice of cancellation or nonrenewal be less than the minimum number of days required, if any, of the state shown as the first Named Insured's mailing address shown in the Declarations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDEPENDENT CONTRACTORS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following condition is added to **Conditions - Section IV.**

### **Independent Contractors**

You shall obtain Certificates of Insurance from all independent Contractors or sub-contractors providing evidence of General Liability insurance coverage with limits at least equal to that afforded by this policy.

Such Certificates of Insurance shall also specify that you are named as an additional insured under their policy as respects to work for which you have engaged their services.

Failure to comply with these conditions does not alter the coverage provided by this policy. However, should you fail to comply, independent contractors will be considered your employees and a premium charge will be made accordingly. The entire cost of all work sublet will be used as the premium basis for the work performed.



# IMPORTANT STATE INFORMATION

## FRAUD WARNING STATEMENTS

ARKANSAS, DISTRICT OF COLUMBIA, FLORIDA, KENTUCKY, LOUISIANA, MAINE, NEW JERSEY, NEW MEXICO, PENNSYLVANIA, TENNESSEE, VIRGINIA AND WEST VIRGINIA APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTE: IN LOUISIANA, MAINE, TENNESSEE, VIRGINIA AND THE DISTRICT OF COLUMBIA, PENALTIES MAY ALSO INCLUDE THE DENIAL OF INSURANCE BENEFITS.

ALABAMA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO RESTITUTION, FINES OR CONFINEMENT IN PRISON, OR ANY COMBINATION THEREOF.

COLORADO APPLICANTS: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, AND DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

HAWAII APPLICANTS: FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

KANSAS APPLICANTS: ANY PERSON WHO COMMITS A FRAUDULENT INSURANCE ACT IS GUILTY OF A CRIME AND MAY BE SUBJECT TO RESTITUTION, FINES AND CONFINEMENT IN PRISON. A FRAUDULENT INSURANCE ACT MEANS AN ACT COMMITTED BY ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER OR INSURANCE AGENT OR BROKER, ANY WRITTEN STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR INSURANCE, OF THE RATING OF AN INSURANCE POLICY, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT UNDER AN INSURANCE POLICY, WHICH SUCH PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY MATERIAL FACT THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO.

MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NEW YORK APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR SUCH VIOLATION.

**OHIO APPLICANTS:** ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

**OKLAHOMA APPLICANTS:** WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

**OREGON APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD OR SOLICIT ANOTHER TO DEFRAUD AN INSURER: (1) BY SUBMITTING AN APPLICATION OR; (2) FILING A CLAIM CONTAINING A FALSE STATEMENT AS TO ANY MATERIAL FACT MAY BE VIOLATING STATE LAW.



## **PRODUCER COMPENSATION NOTICE**

You can review and obtain information on The Hartford's producer compensation practices at [www.TheHartford.com](http://www.TheHartford.com) or at 1-800-592-5717.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

**(Broad Form)**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this endorsement:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".



"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GEORGIA CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraph **A.1.** of the **Cancellation** Common Policy Condition is replaced by the following:

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation stating a future date on which the policy is to be cancelled, subject to the following:

- a. If only the interest of the first Named Insured is affected, the effective date of cancellation will be either the date we receive notice from the first Named Insured or the date specified in the notice, whichever is later. However, upon receiving a written notice of cancellation from the first Named Insured, we may waive the requirement that the notice state the future date of cancellation, by confirming the date and time of cancellation in writing to the first Named Insured.
- b. If by statute, regulation or contract this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days notice to the first Named Insured and the third party as soon as practicable after receiving the first Named Insured's request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

- (1) 10 days from the date of mailing or delivering our notice, or
- (2) The effective date of cancellation stated in the first Named Insured's notice to us.

**B.** Paragraph **A.5.** of the **Cancellation** Common Policy Condition is replaced by the following:

### **5. Premium Refund**

- a. If this policy is cancelled, we will send the first Named Insured any premium refund due.
- b. If we cancel, the refund will be pro-rata, except as provided in **c.** below.
- c. If the cancellation results from failure of the first Named Insured to pay, when due, any premium to us or any amount, when due, under a premium finance agreement, then the refund may be less than pro rata. Calculation of the return premium at less than pro rata represents a penalty charged on unearned premium.
- d. If the first Named Insured cancels, the refund may be less than pro rata.
- e. The cancellation will be effective even if we have not made or offered a refund.

- C.** The following is added to the **Cancellation** Common Policy Condition and supersedes any other provisions to the contrary:

If we decide to:

1. Cancel or nonrenew this policy; or
2. Increase current policy premium by more than 15% (other than any increase due to change in risk, exposure or experience modification or resulting from an audit of auditable coverages); or
3. Change any policy provision which would limit or restrict coverage:

Then:

We will mail or deliver notice of our action (including the dollar amount of any increase in renewal premium of more than 15%) to the first Named Insured and lienholder, if any, at the last mailing address know to us. Except as applicable as described in Paragraph **D.** below, we will mail or deliver notice at least:

1. 10 days before the effective date of cancellation if this policy has been in effect less than 60 days or if we cancel for nonpayment of premium; or
2. 45 days before the effective date of cancellation if this policy has been in effect 60 or more days and we cancel for a reason other than nonpayment of premium; or
3. 45 days before the expiration date of this policy if we decide to nonrenew, increase the premium or limit or restrict coverage.

- D.** The following provisions apply to insurance covering residential real property only provided under the:

Capital Assets Program (Output Policy) Coverage Part;

Commercial Property Coverage Part;

Farm Coverage Part;

If the named insured is a natural person.

With respect to such insurance, the following is added to the **Cancellation** Common Policy Condition and supersedes any provisions to the contrary:

1. When this policy has been in effect for 60 days or less and is not a renewal with us, we may cancel for any reason by notifying the first Named Insured at least 10 days before the date cancellation takes effect.
2. When this policy has been in effect for more than 60 days, or at any time if it is a renewal with us, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium, whether payable to us or to our agent;
  - b. Upon discovery of fraud, concealment of a material fact, or material misrepresentation made by or with the knowledge of any person insured under this policy in obtaining this policy, continuing this policy or presenting a claim under this policy.
  - c. Upon the occurrence of a change in the risk which substantially increases any hazard insured against; or
  - d. Upon the violation of any of the material terms or conditions of this policy by any person insured under this policy.

We may cancel by providing notice to the first Named Insured at least:

- o 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- o 45 days before the effective date of cancellation if we cancel for any of the reasons listed in **b.**, **c.** or **d.** above.



## U.S. DEPARTMENT OF THE TREASURY, OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by the United States. **Please read this Notice carefully.**

The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under U.S. jurisdiction. OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called "Specially Designated Nationals and Blocked Persons" or "SDNs". Their assets are blocked and U.S. persons are generally prohibited from dealing with them. This list can be located on OFAC's web site at – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is an SDN, as identified by OFAC, the policy is a blocked contract and all dealings with it must involve OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC.



## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

**E. Premiums**

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

**F. Transfer Of Your Rights And Duties Under This Policy**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



Lisa Levin, Secretary



Douglas Elliot, President



**Named Insured:** LDX SOLUTIONS

**Policy Number:** 52 CES OF6859

**Effective Date:** 06/30/2019

**Expiration Date:** 06/30/2020

**Company Name:** TWIN CITY FIRE INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **TRADE OR ECONOMIC SANCTIONS ENDORSEMENT**

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims.

All other terms and conditions remain unchanged.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DISCRIMINATION - AMENDMENT OF PERSONAL AND ADVERTISING INJURY DEFINITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

Paragraph **h.** is added to the definition of "Personal and advertising injury" as follows:

- h.** Discrimination that results in humiliation or other injury to the feelings or reputation of a natural person, provided that such discrimination is not committed by or at your direction, or the direction of any partner, member, manager, "executive officer", director, stockholder or trustee of the insured.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM (EXCESS - BROAD FORM)  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM (EXCESS)

- A. Exclusion 2.g. Aircraft, Auto Or Watercraft**  
under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**g. Aircraft, Auto Or Watercraft**

**(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment,

training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 51 feet long; and
  - (ii)** Not being used to carry persons for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e)** "Bodily injury" or "property damage" arising out of:
  - (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(ii) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

(f) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**C. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## POLICY CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 PRODUCTS-COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following items(s):

|  |   |
|--|---|
| <input type="checkbox"/> Insured's Name                        | <input type="checkbox"/> Insured Mailing Address                    |
| <input type="checkbox"/> Policy Number                         | <input type="checkbox"/> Company                                    |
| <input type="checkbox"/> Effective/Expiration Date             | <input type="checkbox"/> Insured Legal Status/Business of Insured   |
| <input type="checkbox"/> Payment Plan                          | <input type="checkbox"/> Premium Determination                      |
| <input type="checkbox"/> Additional Interested Parties:        | <input checked="" type="checkbox"/> Coverage Forms and Endorsements |
| <input type="checkbox"/> Limits/Exposures                      | <input type="checkbox"/> Deductibles / SIR                          |
| <input type="checkbox"/> Covered Property/Location Description | <input type="checkbox"/> Classification Class Codes                 |
| <input type="checkbox"/> Rates                                 | <input type="checkbox"/> Underlying Insurance                       |

is (are) changed to read:

Endorsement #33

Effective 09/28/19 it is hereby agreed that Endorsement #34 (HS2530 PER LOCATION - AMENDMENT OF GENERAL AGGREGATE SUBJECT TO MAXIMUM ANNUAL AGGREGATE LIMIT) is added.

Premium: [REDACTED]  
 Terrorism: [REDACTED]

The above amendments result in a change in the premium as follows:

|                                     |   |   |                      |
|-------------------------------------|---|---|----------------------|
| <input type="checkbox"/> NO CHANGES | <input type="checkbox"/> TO BE ADJUSTED<br>AT AUDIT | ADDITIONAL PREMIUM<br>\$ <span style="background-color: black; color: black;">[REDACTED]</span> | RETURN PREMIUM<br>\$ |
|-------------------------------------|---|---|----------------------|

*Suean L. Castaneda*

Authorized Representative Signature



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

## **PER LOCATION - AMENDMENT OF GENERAL AGGREGATE SUBJECT TO MAXIMUM ANNUAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

#### **LIMITS OF INSURANCE:**

The Limits of Insurance shown in the Declarations are amended by the following:

The Limits of Insurance, subject to all the terms of this policy that apply, are:

|   |                          |
|---|--------------------------|
| Each Occurrence Limit                               | \$ See Declarations Page |
| Personal and Advertising Injury Limit               | \$ See Declarations Page |
| Damage to Premises Rented to You – Any One Premises | \$ See Declarations Page |
| Medical Expense Limit - Any One Person              | \$ See Declarations Page |
| General Aggregate Limit                             | \$ 2,000,000             |
| Location General Aggregate Limit                    | \$ 2,000,000             |
| Maximum Annual Aggregate Limit                      | \$ 5,000,000             |
| Products-Completed Operations Aggregate Limit       | \$ See Declarations Page |

In return for the payment of the premium when due and subject to all the terms of the Commercial General Liability Coverage Part not expressly modified herein, we agree with you as follows:

**A. The LIMITS OF INSURANCE (SECTION III)** is deleted in its entirety and replaced with the following:

#### **1. The Most We Will Pay**

The Limits of Insurance shown in the above Schedule and the rules below fix the most we will pay regardless of the number of:

- Insureds;
- Claims made or "suits" brought; or
- Persons or organizations making claims or bringing "suits".

#### **2. Maximum Annual Aggregate**

The Maximum Annual Aggregate Limit is the most we will pay for the sum of:

- Damages under the General Aggregate Limit; and
- Damages under any one or more Location General Aggregate Limit(s), as described in paragraph 4. below.

#### **3. General Aggregate Limit**

Subject to 2. above, the General Aggregate Limit is the most we will pay for the sum of:

- Damages under **Coverage B Personal and Advertising Injury Liability**; and

- b. Damages under **Coverage C Medical Payments, and Coverage A Bodily Injury and Property Damage Liability**, with the following exceptions:

- (1) "Bodily injury" or "property damage" included in the "products-completed operations hazard"; or
- (2) "Bodily injury" or "property damage" attributed solely to ongoing operations at a single "location";

- c. "Property damage" included as **Damage to Premises Rented to You**.

#### 4. Location General Aggregate Limit

Subject to 2. above:

- a. A separate Location General Aggregate Limit applies to each single "location", in lieu of and not in addition to, the General Aggregate. Such Location General Aggregate is the most we will pay for all damages under **Coverage A Bodily Injury and Property Damage Liability**, or **Coverage C Medical Payments**, with the following exceptions:

- (1) "Bodily injury" or "property damage" included in the "products-completed operations hazard"; or
- (2) "Property damage" included in the Damage to Premises Rented to You coverage; or
- (3) "Bodily injury", "property damage", or medical expenses under **Coverage C**, which cannot be attributed solely to the ongoing operations at a single "location". Such damages will erode the General Aggregate Limit as provided in paragraph 3. above.

- b. The Location General Aggregate Limit:

- (1) Applies only to "occurrences" attributed solely to ongoing operations at a single "location"; and
- (2) Does not include damages for **Coverage B Personal and Advertising Injury Liability**, no matter where or in how many "locations" the offense or offenses may be committed. Such damages will erode the General Aggregate Limit as provided in paragraph 3. above.

- c. Any payments made under this paragraph 4., for damages for "bodily injury", "property damage", or medical expenses under Coverage C, shall reduce the Maximum Annual Aggregate Limit and the Location

General Aggregate for that "location". Such payments shall not reduce the General Aggregate Limit or the Products-Completed Operations Aggregate Limit nor shall they reduce any other Location General Aggregate Limit.

#### 5. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

#### 6. Personal And Advertising Injury Limit

Subject to 3. above, the Personal and Advertising Injury Limit is the most we will pay under **Coverage B Personal and Advertising Injury Liability** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

#### 7. Occurrence Limit

Subject to 3., 4., or 5. above, whichever applies, the Each Occurrence Limit is the most we will pay for damages under "bodily injury" or "property damage" arising out of any one "occurrence".

#### 8. Damage To Premises Rented To You Limit

Subject to 7. above, the Damage to Premises Rented to You Limit is the most we will pay for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented to You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

The Damage to Premises Rented to You Coverage is not subject to any Location General Aggregate Limit, but will erode the General Aggregate Limit.

#### 9. Medical Expense Limit

Subject to 3. or 4. above, whichever applies, the Medical Expense Any One Person Limit is the most we will pay under **Coverage C Medical Payments** for all medical expenses because of "bodily injury" sustained by any one person.

Such Medical Payments Coverage is subject to either the Location General Aggregate Limit or

the General Aggregate Limit as provided in paragraphs 3. or 4. above.

**10. How Limits Apply When To Additional Insureds**

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (1) The limits of insurance specified in the written contract or written agreement; or
- (2) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

**11. If More Than One Limit of Insurance Applies**

If more than one limit of insurance under this Coverage Part and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this Coverage Part and such endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit".

However, this paragraph 11. does not apply to the Medical Expense Limit for Coverage C.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

- B.** For the purposes of this endorsement, the Definitions Section is amended by the addition of the following definition:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right of way of a railroad.